(c) The Planning Commission had assessed the demand for coal in the country for the year 1987-88 at 192.05 million tonnes. The coal companies were assigned a production target of 183.50 million tonnes only. The gap was to be met by drawing down of pit head stocks and import of coking coal for steel plants. The coal companies produced 179.75 million tonnes of coal during 1987-88 and despatched 174.29 million tonnes of raw coal to different consuming sectors in the country which was higher by about 7 per cent over the despatches made in the previous year. However, some of the consumers in the southern and western parts of the country, linked to the Singareni Collieries Company Ltd. for their supplies, did face some difficulties in receiving their full quota of coal due to various reasons. The Government have taken the following steps to meet their demand;

(i) Efforts are afoot to step up production in Coal India Limited's subsidiaries contiguous to Southern region so that surplus production could be diverted from there to deficit areas.

(ii) Coal is being transporated from the surplus Eastern region to South and West *via.* all rail rout as well as rail-cum-sea route to the extent feasible to meet shortages.

Higher prices of coal being charged by the collieries

*79. SHRI RAOOF VALIULLAH: Will the Minister of ENERGY be pleased to state:

(a) whether the Coal Consumers Association of India has submitted a memorandum alleging that the collieries are charging prices higher than the officially notified 'rates'; if so, what action Government have taken in the matter;

(b) whether Government propose to increase the prices of coal to meet the mounting losses in the coal sector; if not, what other steps are being taken to reduce the losses; and

(c) whether complaints have also been received that the collieries are charging additional crusing, service and miscellaneous charges and whether there is any uniformity and consistency in the levy of actual surface transportation charges from consumers?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) to (c) In their letter dated 17-6-1988, sent to this Department, the Coal Consumers Association of India has pointed out that the supplying collieries are charging, apart from notified prices, Rs. 5|- per tonne extra towards loading charges over and above actual surface transportation charges and are also billing for administrative charges, crushing charges, service charges etc. The factual position in this regard is as follows:—

Coal India Limited is charging the consumers only the price as permissible under Government of India's price notification dated 23-12-1987. Under clause 10 of this notification the collieries, transporting coal on their own cost beyond a distance of 3 Kms. from pit-head to the railway sidings, are permitted to charge transporat cost from the users in addition to he price of coal. Accordingly, all collieries, where transportation from pit-head to the sidings exceeds 3 Kms, have been charging transport cost. Transport charges include actual cost of transportation of coal from pit-head to the sidings as well as cost of loading coal in the trucks at pit-heads.

Crushing charges as such are not levied. However, in accordance with price notification run of mine coal which has been screened or crushed to limit the top size to any maximum limit within the range of 200 mm.—250mm is priod at the average rate of prices for steam and slack coal in the ratio of 60 : 40. Service charges are collected by Coal India from consumers who avail themselves of any of the package of services offered by Coal India.

There is at present no proposal for revising the prices of coal produced by Coal India group of companies. Efforts are being made to reduce the cost of production by improving the efficiency of

operation, reducing the administrative expenses and by better utilisation of men and machinery and introduction of better management practices and technology.

Contract for Kawas power project

*80. SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRI A. G. KULKARNI:

Will the Minister of ENERGY be pleased to state:

(a) whether Government have decided not to award the turn-key contract for the Rs. 340 crores gas-based power project at Kawas (Gujarat) to M|s. Alsthom of France; and

(b) if so, what are the reasons therenegotiate the award of the contract to an negotiate the award of the conract to an alternative collaborator indicating the details of the possible alternatives?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE MINISTRY OF ENERGY (SHRI KALPNATH RAI): (a) and (b) M|s. Alsthom of France have not extended the period of validity of their offer for turnkey execution of the Kawas gas-based combined cycle power project of the National Thermal Power Corporation. Earlier, despite protracted discussion, agreement could not be reached with them on various terms and conditions of the contract. It is proposed by NTPC in consultation with the World Bank, to invite fresh bids from the parties who had originally submitted offers for turn-key execution of the project

Petrochemical complex at Visakhapatnam

487. SHRIMATI SUDHA VIJAY JOSHI: Will the Minister of INDUSTRY be pleased to state:

(a) whether Mitsui of Japan has offered to set up a Petrochemicals Complex at Visakhapatnam;

(b) if so, whether Government have made any selection of the Indian Partner in such a venture; and

(c) what is the financial outlay proposed and when the unit is likely to go on stream?

THE MINISTER OF INDUSTRY (SHRI J. VENGAL RAO): (a) to (c) M|s. Mitsui of Japan has offered to assist M|s. Indian Petrochemicals Corporation Ltd. in the setting up of a petrochemical complex at Visakhapatnam. The Corportion have been asked to undertake preliminary negotiations with M|s. Mitsui.

It is too early to indicate the financial outlay for such a complex and the time frame by which this complex will go on steam.

Joint sector company for the manufacture of telephone instruments.

488. SHRI KAMAL MORARKA: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that a joint sector company has been formed for the manufacture of telephone instruments, to be set up in Assam; and

(b) if so, what are the details regarding the production capacity envisaged, capital involved and the time of completion?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI GIRIDHAR GOMANGO): (a) and (b) Yes, Sir. It has been decided to set up a joint venture company between Indian Telephone Industries Limited, Bangalore and AMTRON, Assam. The capital cost and time of completion of the project are in the process of finalisation. The rated production capacity of the company is 1 lakh telephone instruments per annum.

Crude Oil production

489. SHRI SURESH KALMADI: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that India is slipping on the oil front with domestic crude production stagnant at about 30 million tonnes annually and dependent on